

**State of California**  
**Department of Insurance**  
**45 Fremont Street**  
**San Francisco, California 94105**  
**CALIFORNIA CODE OF REGULATIONS, TITLE 10**  
**CHAPTER 5, SUBCHAPTER 3**

**ADOPT ARTICLE 20 TO READ:**

Article 20. Standards Applicable to Workers' Compensation Claims Adjusters and Medical Billing Entities and Certification of those Standards by Insurers.

**Section 2592 Authority and Purpose**

These regulations are promulgated pursuant to authority granted to the Insurance Commissioner under the provisions of Section 11761 of the California Insurance Code. The purpose of these regulations is to set forth the minimum standards of training, experience, and skill that workers' compensation claims adjusters, including adjusters working for medical billing entities, must possess to perform their duties with regard to workers' compensation claims and to specify how insurers must meet those standards.

Note: Authority and reference cited: Section 11761, California Insurance Code.

**Section 2592.01 Definitions**

For purposes of these regulations:

- (a) "Certify" means a written statement made under penalty of perjury.
- (b) "Claims adjuster" means a person who, on behalf of an insurer, including an employee of an entity that is not an insurer, is responsible for determining the validity of a workers' compensation claim, including a "medical only" claim. The adjuster may also establish a case reserve, approve and process indemnity and medical benefits, may hire investigators, attorneys or other professionals and may negotiate settlements of claims. "Claims adjuster" also means a person who is responsible for the immediate supervision of a claims adjuster but does not mean an attorney representing the insurer or a person whose primary function is clerical.
- (c) "Classroom" means any space sufficiently designed so that the instructor and students can communicate with a high degree of privacy and relative freedom from outside interference. The instructor may be physically present or may communicate with students by means of an electronic device.
- (d) "Course" means any program of instruction taken or given to satisfy the requirements of Insurance Code Section 11761.

(e) "Curriculum" means a course of study that satisfies the requirements of Insurance Code Section 11761. The curriculum must provide sufficient content, including time allocated to each subject area, to enable claims adjusters to meet minimum standards of training, experience, and skill to perform their duties with regard to workers' compensation claims.

(f) "Experienced claims adjuster" means a person who has had at least five years within the past eight years of on-the-job experience adjusting California workers' compensation claims and has been certified as an experienced claims adjuster by an insurer. A person who has successfully completed the written examination specified by Title 8, Section 15452 of the California Code of Regulations is an experienced claims adjuster, provided that he or she has either worked as a workers' compensation claims adjuster continuously since passing the examination; had at least five years of experience working with California workers' compensation within the past eight years; or has passed the examination within the previous five years.

(g) "Experienced medical-only claims adjuster" means a person who has had at least three years within the past five years of on-the-job experience adjusting California workers' compensation medical-only claims and has been designated as an experienced medical-only claims adjuster by an insurer or a person meeting the training requirements of this regulation and certified by an insurer.

(h) "Experienced medical bill reviewer" means a person who has had at least three years within the past five years of on-the-job experience reviewing California workers' compensation medical bills and has been designated as an experienced medical bill reviewer by the medical bill review entity or by the insurer that employs the medical bill reviewer.

(i) "Instructor" means a person who conveys curriculum content to students on behalf of an insurer, a training entity, or a medical billing entity. An instructor shall have had at least five (5) years within the past eight (8) years of on-the-job experience adjusting California workers' compensation claims and have been certified as an experienced claims adjuster by an insurer or be an individual who has had at least eight (8) years of experience in California workers' compensation within the past twelve (12) years. Persons knowledgeable about specific workers' compensation issues may train students under the supervision of an instructor.

(j) "Insurer" means an insurance company admitted to transact workers' compensation insurance in California, the State Compensation Insurance Fund, an employer that has secured a certificate of consent to self-insure from the Department of Industrial Relations pursuant to Labor Code Section 3700(b), or (c) or a third party administrator that has a secured a certificate of consent pursuant to Labor Code Section 3702.1.

(k) "Medical bill reviewer" means a person who reviews or adjusts workers' compensation medical bills on behalf of an insurer, including an employee of an entity that is not an insurer.

(l) "Medical billing entity" means an entity that is not an insurer as defined herein that reviews or adjusts workers' compensation medical bills for an insurer.

(m) "Post-certification training" means a course of study provided to trained and/or experienced workers' compensation claims adjusters. Post-certification training also includes seminars, workshops, or other informational meetings pertaining to California workers' compensation.

(n) "Student" means an individual taking a course that is required for that person in order to be a workers' compensation claims adjuster.

(o) "Training" means to provide a course of instruction that includes the topics specified in Sections 2592.03 and 2592.04.

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.02 Training Required For Claims Adjusters**

(a) Every insurer shall require all claims adjusters who handle workers' compensation claims on the insurer's behalf, including employees of an entity that is not an insurer, other than those who are defined in paragraph (f) and (g) of Section 2592.01, to be trained pursuant to this subparagraph:

(1) The insurer shall require at least 160 hours of training for claims adjusters, at least 120 hours of which shall be conducted in a classroom with an instructor. The insurer shall require at least 80 hours of training for claims adjusters who adjust only claims where medical benefits and not indemnity benefits are provided or at issue, at least 50 hours of which shall be conducted in a classroom with an instructor. On-the-job training shall be done under the supervision of an instructor or an experienced claims adjuster.

(2) A medical-only claims adjuster who has completed 80 hours of training pursuant to this section may be certified as a claims adjuster upon completion of 80 additional hours of workers' compensation claims training, provided that such training is completed within six months of the claims adjuster beginning to adjust claims that include indemnity benefits.

(b) The training required by this section shall be completed within a twelve consecutive month period, during which time a claims adjuster trainee may adjust claims under the supervision of an experienced claims adjuster. No individual may adjust claims on behalf of one or more insurers for a combined total of more than twelve (12) months unless such individual has been trained pursuant to this chapter. However, if a claims adjuster trainee requires leave from his or her employment because of illness, disability, military service, or leave required or permitted by state or federal law, and the leave has begun after the training has started, the training shall be completed within a period not to exceed twenty-four (24) months after the commencement of the training.

(c) Any classes or courses taken within two years before the effective date of these regulations that satisfy the curriculum requirement may be used to meet

the hourly requirements upon verification by the student of the type of course taken, the course of study, the date or dates taken, the instructor or organization providing the class or course, and the number of hours taken.

(d) Beginning May 1, 2005, every insurer shall require a minimum of 30 hours of post-certification training every two years for all experienced claims adjusters and 20 hours of post-certification training every two years for all experienced medical-only claims adjusters. The post-certification training requirement shall also apply to claims adjusters and medical-only claims adjusters who have received a Certificate of Completion pursuant to Section 2592.05. Such post-certification training may include seminars, workshops, or other informational meetings pertaining to California workers' compensation and need not be in a classroom with an instructor.

(e) Failure of a claims adjuster who has received a Certificate pursuant to Section 2592.05(a) or (b) to fulfill the requirement for post-certification training every two years shall result in that claims adjuster being no longer considered a certified claims adjuster.

(f) The insurer may provide the certification training directly or by sending its employees to be trained by another entity for the entire certification curriculum. A workers' compensation insurance company or self-insured employer shall certify that the course of instruction provided to its own staff or which is provided to the claims adjusters who work for a third party administrator which adjusts claims for the insurance company or self-insured employer meets all the requirements set forth in this Article and that all of the claims adjusters who adjust claims on behalf of the insurance company or self-insured employer have actually attended the training for the required number of hours.

(g) An adjuster who has been certified by an insurer as having completed the training required by this subchapter shall not be required to be re-trained and re-certified in order to adjust claims for a different insurer.

(h) An insurer may not authorize an individual to act in the capacity of claims adjuster who has not been trained pursuant to this Article or who is not an experienced claims adjuster, except that an individual who is undergoing training may adjust claims under the direct supervision of an experienced claims adjuster.

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.03 Curriculum**

(a) The course of study required by Section 2592.02 for claims adjusters who handle claims that include both medical and indemnity benefits shall include but not be limited to the following topics:

1. Historical overview of the workers' compensation system.
2. Organizational structure of the system.
3. The workers' compensation insurance policy, its forms and endorsements, insurance principles of compensation.

4. Concepts and terminology.
5. Benefit provisions.
6. Compensability.
7. Notice requirements.
8. Temporary disability.
9. Permanent disability, including evaluation and rating.
10. Death benefits.
11. Return to work and vocational rehabilitation.
12. Cumulative trauma.
13. Serious and willful misconduct.
14. WCAB procedures, forms, hearings, and penalties.
15. Investigation.
16. Fraud.
17. Medical terminology.
18. Knowledge and use of utilization guidelines (American College of Occupational and Environmental Medicine or other guidelines approved by the Administrative Director of the Division of Workers' Compensation.)
19. Medical evidence.
20. Medical dispute resolution (Qualified Medical Examiners, spinal surgery second opinions, pre-designation of physicians, independent medical reviewers, utilization review.)
21. Fee schedules.
22. Liens.
23. Apportionment.
24. Subrogation.
25. Reserving.
26. Ethical issues.

(b) The course of study required for the training of medical-only claims adjusters shall include, at a minimum all the topics specified in subdivision (a), above, with the exception of 8, 9, 10, 11, 13, 23, and 24, which may, but are not required to be included.

(c) The course of study required by Section 2592.02(d) shall include changes in the law that affects workers' compensation claims and other topics relevant to the work of a trained and/or experienced claims adjuster.

Note: Authority and reference cited: Section 11761, California Insurance Code.

#### **Section 2592.04 Training Required for Medical Bill Reviewers**

Entities that review medical bills on behalf of an insurer and insurers that employ their own bill reviewers shall require all personnel employed as medical bill reviewers, other than those defined in Section 2592.01(h), to be trained. The medical bill review entity shall require at least 40 hours of training for medical bill reviewers, at least 30 hours of which shall be conducted in a classroom by an instructor. No more than 10 hours of training may be on-the-job training.

(a) The training required by this section shall be completed within a twelve (12) month period, during which time a medical bill review trainee may review bills under the supervision of an experienced medical bill reviewer. No individual may review medical bills on behalf of one or more insurers for a combined total of more than twelve months unless the individual has been trained pursuant to this chapter.

(b) Beginning May 1, 2005, every entity that reviews medical bills on behalf of an insurer and every insurer that employs its own medical bill reviewers shall require a minimum of 16 hours every two years of post-certification training for all medical bill reviewers, including those who have been trained and certified pursuant to this chapter. (c) The entity that reviews medical bills or the insurer that employs its own medical bill reviewers may provide the certification training directly or by sending its employees to be trained by another entity for the entire certification curriculum. The medical bill review entity or the insurer that employs its own medical bill reviewers shall certify that the course of instruction it provides or that is provided by another entity meets all the requirements set forth in this section and that all of its medical bill reviewers have actually attended the training.

(d) A medical bill reviewer who has been certified by a medical bill review entity as having completed the training required by this Article shall not be required to be re-trained and re-certified in order to review bills for a different medical bill review entity.

(e) The topics for the training of medical bill reviewers shall include but not be limited to the following topics:

- (1) The correct use of billing codes and detection of improper use of billing codes.
- (2) All fee schedules applicable in California to workers' compensation medical care, including statutes and regulations authorizing the fee schedules.
- (3) Workers' compensation benefits provisions.
- (4) Fraud.
- (5) Medical terminology.
- (6) Utilization guidelines (ACOEM or other guidelines approved by the Administrative Director of the Division of Workers' Compensation.)
- (7) Medical evidence.
- (8) Liens.
- (9) Ethical issues.

(f) A medical billing entity or an insurer may not authorize an individual to act in the capacity of medical bill reviewer who has not been trained pursuant to this chapter or who is not an experienced medical bill reviewer, except that an individual who is undergoing training may review medical bills under the direct supervision of an experienced medical bill reviewer.

Note: Authority and reference cited: Section 11761, California Insurance Code.

#### **Section 2592.05 Certification**

(a) A Certificate of Completion in the form and manner determined by the commissioner shall be provided by the insurer, medical billing entity, or insurer employing its own medical bill reviewers to any person who successfully completes the adjuster or medical bill review training, including the curriculum subjects required by section 2592.03 herein or the medical bill review training required by Section 2592.04, respectively. The Certificate of Completion for a claims adjuster or a medical bill reviewer shall be on the form specified in Section 2592.10 or 2592.11, respectively.

(b) An Experienced Claims Adjuster Certificate in the form and manner determined by the commissioner shall be provided by the insurer to a person defined in Section 2592.01 (f) or (g). The Experienced Claims Adjuster Certificate shall be on the form specified in Section 2592.12.

(c) An Experienced Medical Bill Reviewer Certificate in the form and manner determined by the commissioner shall be provided by the medical billing entity or insurer employing its own medical bill reviewers to a person defined in Section 2592.01(h). The Experienced Medical Bill Reviewer Certificate shall be on the form specified in Section 2592.13.

(d) An insurer or medical bill review entity shall provide to the claims adjuster or medical bill reviewer a Post-Certification Training Certificate in the form and manner determined by the commissioner that states the hours taken for the post-certification training following the completion of the required training. The Post-Certification Training Certificate shall be on the form specified in Section 2592.14.

Note: Authority and reference cited: Section 11761, California Insurance Code.

#### **Section 2592.06 Maintenance of Records**

(a) An insurer and a medical bill review entity shall maintain copies of the Certificates of Completion pertaining to the training of the adjusters and medical bill reviewers in its employ or acting on its behalf for whom training has been provided or sponsored, or who were trained by another insurer, as long as the claims adjuster is in its employ or acting on its behalf and thereafter for five (5) years. The insurer or medical billing entity shall also maintain copies of the Experienced Claims Adjuster Certificates or the Experienced Medical Bill Reviewer Certificates pertaining to adjusters or medical bill reviewers, respectively, in its employ or acting on its behalf and the Post-Certification Training Certificates as long as the claims adjuster or medical bill reviewer is in its employ or acting on its behalf and thereafter for five (5) years. If the trained or experienced claims

adjuster or medical bill reviewer is employed by an insurer or medical bill review entity other than the insurer or medical bill review entity issuing the certificates, the insurer or medical bill review entity that issued the certificate shall send copies of the adjuster's or medical bill reviewer's certificate to the insurer or medical bill review entity employing the adjuster or medical bill reviewer within 20 days after a request for the certificate has been sent.

(b) All insurers and medical bill review entities shall maintain a record of all courses given to comply with this chapter. The record shall include:

(1) The name and business address of all students, along with the beginning and ending date of the training of the student and a statement stating whether or not the student has completed the training in all topic areas required to be covered.

(2) A complete description of the curriculum, including all topics covered with a detailed statement of how much time was spent training students in each topic, the name of the entity providing the instruction, and the name of the instructor or instructors and any persons who instructed under the supervision of the instructor.

(c) All insurers shall maintain a record of all post-certification courses, seminars, workshops, or other training taken by claims adjusters acting on their behalf. The record shall also include the dates of such training, the time spent in the training, and the topics covered.

(d) All records maintained pursuant to this Article shall be made available to the Insurance Commissioner and to the Administrative Director of the Division of Workers' Compensation.

(e) Upon request by a policyholder or an injured worker whose claim is being adjusted by a claims adjuster, the insurer employing the claims adjuster shall provide a copy of the claims adjuster's Certificate of Completion or Experienced Claims Adjuster Certificate to the requesting policyholder or injured worker.

Note: Authority and reference cited: Section 11761, California Insurance Code.

#### **Section 2592.07 Submission of Documents**

(a) Each insurer shall submit to the commissioner annually by July 1 of each year a document, in the form and manner determined by the commissioner, attesting to the total number of claims adjusters adjusting claims on its behalf, the number of claims adjusters who have been trained or who are experienced claims adjusters, and the percentage of the claims adjusters adjusting claims on its behalf who are trained and/or experienced claims adjusters. The document, which shall be on the form specified Section 2592.08, shall be signed under penalty of perjury by the executive officer responsible for the insurer's claims operations. The commissioner shall publish the information contained in this document on the Department of Insurance public website.

(b) Each insurer shall submit to the commissioner annually by July 1 of each year a document, in the form and manner determined by the commissioner, attesting to the total



number of medical bill reviewers reviewing medical bills on its behalf, the number of medical bill reviewers who have been trained or who are experienced medical bill reviewers, and the percentage of the medical bill reviewers working on its behalf who are trained and/or experienced medical bill reviewers. The document, which shall be on the form specified in Section 2592.09, shall be signed under penalty of perjury by the executive officer responsible for the medical bill review entity or insurer's claims operations. The commissioner shall publish the information contained in this document on the Department of Insurance public website.

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.08 Annual Certification Form-Claims Adjuster**

#### **ANNUAL CERTIFICATION**

To the Insurance Commissioner of the State of California  
Pursuant to California Insurance Code Section 11761 and California Code of Regulations  
Section 2592.05

As an officer or owner of \_\_\_\_\_,

☐ **Insurer**   ☐ **Self-Insured Employer**   ☐ **Third-Party Administrator** ,

I hereby certify the following:

1. The number of claims adjusters and/or medical-only claims adjusters adjusting claims on the company's behalf is \_\_\_\_\_
2. The total number of experienced/trained claims adjusters and/or medical-only claims adjusters adjusting claims on the company's behalf is \_\_\_\_\_
3. The percentage of claims adjusters and/or medical-only claims adjusters who are trained/experienced is \_\_\_\_\_ percent.
4. All persons adjusting claims on behalf of this organization are certified to do so or are in training.

I declare, under the penalty of perjury, that the foregoing is true and correct under the laws of the State of California.

*Signature of Person Certifying*

*Date*

*Name of Person Certifying (Print or Type)*

*Title of Person Certifying*

*Business Address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.09 Annual Certification Form-Medical Bill Reviewer**

#### **ANNUAL CERTIFICATION**

To the Insurance Commissioner of the State of California  
Pursuant to California Insurance Code Section 11761 and California Code of Regulations  
2592.05

As an officer or owner of a/an

☐ **Insurer** ☐ **Medical Bill Review Entity**

I hereby certify the following:

1. The number of medical bill reviewers reviewing medical bills on the company's behalf is \_\_\_\_\_
2. The total number of experienced/trained medical bill reviewers reviewing medical bills on the company's behalf is \_\_\_\_\_
3. The percentage of medical bill reviewers who are trained/experienced is \_\_\_\_\_ percent.
4. All persons reviewing medical bills on behalf of this organization are certified to do so or are in training.

I declare, under the penalty of perjury, that the foregoing is true and correct under the laws of the State of California.

*Signature of Person Certifying*

*Date*

*Name of Person Certifying (Print or Type)*

*Title of Person Certifying*

*Business Address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.10 Certificate of Completion-Claims Adjuster**

Certificate of Completion

Claims Adjuster or

Medical-Only Claims Adjuster

This certificate is awarded to

\_\_\_\_\_  
Adjuster's Name

for successfully completing the required hours for workers' compensation claims adjuster training

pursuant to California Insurance Code Section 11761 and California Code of Regulations Sections 2592.02 and 2592.03

This certificate is for: (check only one)

☐ **All Claims**

☐ **Medical-only Claims**

*Signature of Person Certifying*

*Date*

*Name of Person Certifying (Print or Type)*

*Title of Person Certifying*  
*Training Completion Date*  
*Total Training Hours*  
*Name of Insurer/Self-Insurer/TPA*  
*Business Address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.11 Certificate of Completion-Medical Bill Reviewer**

Certificate of Completion  
Medical Bill Reviewer  
This certificate is awarded to

\_\_\_\_\_  
Medical Bill Reviewer's Name  
for successfully completing the required hours for workers' compensation medical bill  
review training  
pursuant to California Insurance Code Section 11761 and California Code of Regulations  
Sections 2592.02 and 2592.04  
*Signature of Person Certifying*

*Date*

*Name of Person Certifying (Print or Type)*

*Training Completion Date*

*Total Training Hours*

*Title of Person Certifying*

*Name of Insurer/Medical Bill Review Entity*

*Insurer/Medical Bill Review Entity's address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.12 Experienced Claims Adjuster Certificate**

Experienced Claims Adjuster or  
Medical-Only Claims Adjuster Certificate  
This certificate is awarded to

\_\_\_\_\_  
Adjuster's Name  
to certify that he/she has met the minimum requirements to be an experienced claims  
adjuster or  
experienced medical-only claims adjuster pursuant to California Insurance Code Section  
11761 and California Code of Regulations Sections 2592.02 and 2592.03

This certificate is for: (check only one box)

<input type="checkbox"/> <b>All Claims</b>	<input type="checkbox"/> <b>Medical-only Claims</b>
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*Signature of Person Certifying*  
*Date*

*Name of Person Certifying (Print or Type)*

*Title of Person Certifying*

*Total Training Hours*

*Name of Insurer/Self-Insurer/TPA*

*Business Address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.13 Experienced Medical Bill Reviewer Certificate**

Experienced Medical Bill Reviewer

Certificate

This certificate is awarded to

\_\_\_\_\_  
Medical Bill Reviewer's Name

to certify that he/she has met the minimum requirements to be an experienced medical bill reviewer

pursuant to California Insurance Code Section 11761 and California Code of Regulations Sections 2592.02 and 2592.04

*Signature of Person Certifying*

*Date*

*Name of Person Certifying (Print or Type)*

*Title of Person Certifying*

*Name of Insurer/Medical Bill Review Entity*

*Insurer/Medical Bill Review Entity's address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

### **Section 2592.14 Post-Certification Training Certificate**

Post-Certification Training Certificate

This certificate is awarded to

\_\_\_\_\_  
Name

for successfully meeting the post-certification training requirements for a workers' compensation claims adjuster, medical-only claims adjuster, or medical bill reviewer pursuant to California Insurance Code Section 11761 and California Code of Regulations Section 2592 et seq.

This certificate is for: (check only one box)

<input type="checkbox"/> <b>All Claims</b>	<input type="checkbox"/> <b>Medical-only Claims</b>	<input type="checkbox"/> <b>Medical Bill Review</b>
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*Signature of Person Certifying*

*Date*

*Name of Person Certifying (Print or Type)*

*Title of Person Certifying*

*Training Completion Date*

*Total Training Hours*

*Name of Insurer/ Self-Insurer/ TPA/ Medical Bill Review Entity*

*Business Address*

Note: Authority and reference cited: Section 11761, California Insurance Code.

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